

MINUTES

MONTANA SENATE 61st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chairman Jeff Essmann, on March 17, 2009 at
8:00 A.M., in Room 405 Capitol

ROLL CALL

Members Present:

Sen. Jeff Essmann, Chairman (R)
Sen. Taylor Brown, Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. Gary Branae (D)
Sen. Ron Erickson (D)
Sen. Kelly Gebhardt (R)
Sen. Kim Gillan (D)
Sen. Bradley Hamlett (D)
Sen. Christine Kaufmann (D)
Sen. Bob Story Jr. (R)
Sen. Bruce Tutvedt (R)

Members Excused: None

Members Absent: None

Staff Present: Lee Heiman, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 491, 2/18/2009; SB 495,
2/19/2009; SB 499, 2/23/2009

Executive Action: HB 21 ~ DO CONCUR
SB 260 ~ DO PASS AS AMENDED
SB 467 ~ DO PASS AS AMENDED
SB 418 ~ DO PASS AS AMENDED
SB 495 ~ DO PASS

HEARING ON SB 491

Opening Statement by Sponsor:

00:00:36 Sen. Dave Lewis (R), SD 42, opened the hearing on SB 491, Revise status of subdivision property tax for health insurance premiums.

00:03:13 Due to a prior commitment with the Finance and Claims Committee, Sen. Lewis was excused from the Taxation Committee after presenting his opening statement.

Proponents' Testimony:

00:03:32 Mary Whittinghill, Montana Taxpayers Association (MTA)

00:06:54 L. Harold Blattie, Executive Director, Montana Association of Counties (MACo)

EXHIBIT (tas59a01)

00:14:42 Mike McGinley, Beaverhead County Commissioner

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:15:50 Sen. Tutvedt

00:16:18 Mary Whittinghill, MTA

00:16:44 Sen. Gebhardt

00:17:09 L. Harold Blattie, MACo

Closing by Sponsor:

00:19:03 Sen. Lewis was previously excused.

HEARING ON SB 495

Opening Statement by Sponsor:

00:19:36 Sen. Bob Story (R), SD 30, opened the hearing on SB 495, Revise term limits -- amend Constitution.

EXHIBIT (tas59a02)

Proponents' Testimony:

00:23:46 Former State Senator Fred Thomas, Stevensville

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

00:27:27 Sen. Brown
00:27:58 Sen. Story (Sponsor)
00:30:19 Sen. Tutvedt
00:30:39 Sen. Story
00:31:13 Lee Heiman, Legislative Services Division (LSD)

Closing by Sponsor:

00:32:05 Sen. Story
00:33:38 Vice Chairman Taylor Brown assumed duties of chair.

HEARING ON SB 499

Opening Statement by Sponsor:

00:33:56 Sen. Jeff Essmann (R), SD 28, opened the hearing on
SB 499, Reduce coal severance tax rates for new
production for green facilities.

EXHIBIT(tas59a03)

Proponents' Testimony:

00:39:35 Leo Berry, representing Great Northern Properties and
Great Northern Development (GNP)
00:42:40 Todd O'Hair, representing Rio Tinto Energy America
(RTEA)
00:46:58 Steve Wade, representing Carbon County Holdings, LLC
and Carpenter Creek, LLC

Opponents' Testimony:

00:48:17 Verner Berterlsen, Chairman, Montana Coal Trust Fund
(MCTF)
00:53:19 Archie Nunn, MCTF
00:53:54 Ray Peck, board member, MCTF

Informational Testimony:

00:58:57 William Duffield, Executive Director, Montana
Association of Oil, Gas & Coal Counties, Inc.

Questions from Committee Members and Responses:

01:00:57 Sen. Kaufmann
 01:01:23 Sen. Essmann (Sponsor)
 01:05:03 Sen. Erickson
 01:05:47 Todd O'Hair, RTEA
 01:11:41 Sen. Erickson
 01:12:00 Leo Berry, GNP
 01:13:59 Sen. Erickson
 01:14:59 Sen. Essmann
 01:17:34 Sen. Tutvedt
 01:18:00 Todd O'Hair
 01:21:32 Sen. Kaufmann
 01:21:50 Todd O'Hair
 01:25:41 Sen. Gebhardt
 01:26:14 Verner Bertlesen, MCTF
 01:27:00 Sen. Black
 01:28:43 Verner Bertlesen
 01:31:56 Sen. Hamlett
 01:32:41 Leo Berry
 01:32:58 Sen. Hamlett
 01:33:44 Todd O'Hair
 01:35:45 Sen. Hamlett
 01:36:13 Sen. Essmann
 01:37:38 Sen. Story
 01:38:14 Leo Berry
 01:39:44 Vice Chair Brown
 01:40:30 Ray Peck, MCTF
 01:44:28 Vice Chair Brown
 01:44:59 Sen. Essmann
 01:45:28 Sen. Black
 01:46:28 Leo Berry

Closing by Sponsor:

01:47:49 Sen. Essmann
 01:54:20 Recess
 02:08:34 Reconvene ~ Senator Essmann as Chairman

EXECUTIVE ACTION ON SB 260

02:10:15 **Motion:** Sen. Gillan moved that **SB 260 DO PASS.**

[EXHIBIT\(tas59a04\)](#)

[EXHIBIT\(tas59a05\)](#)

[EXHIBIT\(tas59a06\)](#)

Discussion:

02:10:58 Sen. Gillan

02:12:05 Lee Heiman, LSD

02:14:47 Sen. Gillan

02:18:48 **Motion:** Sen. Gillan moved that **SB 260 BE AMENDED.**

[EXHIBIT\(tas59a07\)](#)

Discussion:

02:19:05 Sen. Tutvedt

02:19:39 Lee Heiman

02:20:12 Sen. Tutvedt

02:20:23 Leo Berry, representing National Association of
Publically Traded Partnerships (NAPTP)

02:20:58 Sen. Tutvedt

02:21:25 **Vote:** Motion carried unanimously by voice vote.

02:21:42 **Motion:** Sen. Gillan moved that **SB 260 DO PASS AS
AMENDED.**

Discussion:

02:21:59 Sen. Gillan

02:22:42 Sen. Kaufmann

02:23:30 Sen. Gillan

02:24:42 Sen. Kaufmann

02:25:06 Chairman Essmann

02:25:14 Sen. Gillan

02:25:47 Sen. Story

02:26:16 Sen. Gillan

02:26:24 Leo Berry

02:26:33 Sen. Story

02:27:05 Leo Berry, NAPTP

02:28:16 **Vote:** Motion carried 9-2 by voice vote with Sens.
Hamlett and Kaufmann voting no.

EXECUTIVE ACTION ON SB 495

02:28:57 **Motion/Vote:** Sen. Story moved that **SB 495 DO PASS.**
Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON HB 21

02:29:43 **Motion:** Sen. Kaufmann moved that **HB 21 BE CONCURRED**
IN.

EXHIBIT(tas59a08)

Discussion:

02:30:12 Lee Heiman
02:31:00 Sen. Kaufmann
02:33:26 Lee Heiman
02:33:33 Sen. Kaufmann
02:34:05 Sen. Brown
02:34:13 Lee Heiman
02:34:30 Sen. Brown
02:34:52 Sen. Story
02:37:12 Sen. Gebhardt
02:38:27 Sen. Story
02:38:39 Sen. Gebhardt
02:38:53 Chairman Essmann
02:39:12 Sen. Gebhardt
02:40:24 Sen. Story
02:41:05 Sen. Erickson
02:41:47 Sen. Kaufmann
02:42:38 Sen. Brown

02:42:52 **Motion:** Sen. Kaufmann moved that **HB 21 BE AMENDED.**
(See Exhibit 8)

Discussion:

02:43:50 Sen. Gillan
02:44:05 Sen. Kaufmann

02:44:27 **Vote:** Motion failed 4-7 by roll call vote with Sens.
Black, Brown, Erickson, and Kaufmann voting aye.

Discussion:

02:45:20 Sen. Tutvedt
02:45:32 Sen. Kaufmann

02:45:55 **Vote:** Motion carried 6-5 by roll call vote with Sens. Black, Brown, Essmann, Gebhardt, and Tutvedt voting no. Sen. Kaufmann will carry HB 21.

EXECUTIVE ACTION ON SB 418

02:47:34 **Motion:** Sen. Branae moved that **SB 418 DO PASS.**

Discussion:

02:47:49 Lee Heiman

02:48:10 **Motion:** Sen. Branae moved that **SB 418 BE AMENDED.**
EXHIBIT (tas59a09)

Discussion:

02:48:18 Sen. Kaufmann
02:48:57 Sen. Story
02:49:07 Sen. Branae
02:49:44 Sen. Kaufmann
02:50:00 Sen. Branae
02:50:14 Sen. Tutvedt
02:50:53 Sen. Gillan

02:51:36 **Vote:** Motion carried 6-5 by roll call vote with Sens. Branae, Erickson, Gillan, Hamlett, and Kaufmann voting no.

02:52:26 **Motion:** Sen. Branae moved that **SB 418 DO PASS AS AMENDED.**

Discussion:

02:52:33 Chairman Essmann
02:52:51 Sen. Brown

02:53:14 **Vote:** Motion carried unanimously by voice vote.

EXECUTIVE ACTION ON SB 467

Discussion:

02:54:19 Lee Heiman

EXHIBIT(tas59a10)

Motion: Sen. Erickson moved that **SB 467 DO PASS.**

02:55:25 **Motion:** Sen. Erickson moved that **SB 467 BE AMENDED.**
(See Exhibit 10)

Discussion:

02:55:30 Sen. Tutvedt

02:55:39 Sen. Brown

02:56:09 Sen. Erickson

02:56:30 **Vote:** Motion carried unanimously by voice vote.

02:56:49 **Motion:** Sen. Erickson moved that **SB 467 DO PASS AS AMENDED.**

Discussion:

02:57:02 Sen. Story

02:58:39 **Vote:** Motion carried unanimously by voice vote.

Committee Business:

02:59:12 Chairman Essmann

02:59:59 Sen. Story

03:00:27 Chairman Essmann

ADJOURNMENT

Adjournment: 11:10 A.M.

Debra Polhemus, Secretary

dp

Additional Documents:

EXHIBIT ([tas59aad.pdf](#))